

Message Text

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21

ORIGIN COME-00

INFO OCT-01 ARA-10 ISO-00 EB-07 CIAE-00 INR-07 NSAE-00

RSC-01 /026 R

66607

DRAFTED BY: COM/OIM/LAD/DIBA:TJOHNSON

APPROVED BY: EB/OCA/REP: BEBYRON

COM/OIM/LAD:BJCAHILL

ARA/BR: JSLATTERY

EB/CBA/BP: RBUSHNELL

----- 118948

R 312300Z JAN 75

FM SECSTATE WASHDC

TO AMCONSUL RIO DE JANEIRO

INFO AMEMBASSY BRASILIA

AMCONSUL SAO PAULO

UNCLAS STATE 023273

E.O. 11652: N/A

TAGS: BEXP, BR

SUBJECT: PROBLEMS IN SELLING US COMPUTER SOFTWARE IN BRAZIL

1. US FIRM, BOOLE AND BABBAGE CO., 850 STEWART DR., SUNNYVALE, CALIFORNIA 94086, IS EXPERIENCING DIFFICULTIES IN LICENSING ITS COMPUTER SOFTWARE PACKAGE IN BRAZIL. THE PRINCIPAL OBSTACLE APPEARS TO BE THE ABSENCE OF A DEFINITIVE DECISION FROM INPI EXCEPTING COMPUTER SOFTWARE FROM NORMAL ROYALTY PAYMENT CEILINGS. ACCORDING TO THE FIRM, LICENSED COMPUTER SOFTWARE IN THE US NORMALLY EARNS ROYALTIES IN EXCESS OF 50 PERCENT, BUT THERE EXISTS NO PRECEDENT IN BRAZIL FOR ROYALTY REMITTANCES OF THIS MAGNITUDE. FIRM BELIEVES THAT THERE IS A MARKET FOR THEIR PACKAGE, AND ORDERS HAVE BEEN RECEIVED. BUT FIRM IS UNWILLING TO ACCEPT THESE ORDERS AND ASSUME SERVICE AND MAINTENANCE RESPONSIBILITY IF ADEQUATE ROYALTIES CANNOT BE REMITTED.

2. POST IS REQUESTED TO CLARIFY CURRENT STATE OF BRAZILIAN

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MARKET FOR IMPORTED COMPUTER SOFTWARE AND TO EXTEND OTHER

APPROPRIATE ASSISTANCE TO BOOLE AND BABBAGE. IN PARTICULAR
WE WOULD LIKE TO KNOW:

- 1) DOES BRAZIL WANT TO IMPORT TECHNOLOGICAL KNOW-HOW IN THE
FORM OF COMPUTER SOFTWARE?
- 2) HOW IS PROPRIETARY COMPUTER SOFTWARE SOLD AND PROTECTED IN
BRAZIL?
3. ALAN STERLING OF MRD HAS SUGGESTED THE FOLLOWING INDIVIDUAL
AS A GOOD POTENTIAL SOURCE OF THIS KIND OF INFORMATION:

MR. GEORGE HERZ
BURROUGHS CORPORATION
R. ARAUJO PORTO ALEGRE, 36 - 80 ANDAR
RIO DE JANEIRO (TEL: 252-2060)

4. FIRM'S AGENT IS IVAN T. GEORGE OF DELTACOM DO BRASIL,
AVENIDA REBOUCAS NO. 2045, SAO PAULO (TEL: 81-77-60). GEORGE
WOULD BE PLEASED TO VISIT CONGEN TO PROVIDE FURTHER DETAILS OF
SITUATION.

5. THIS PARTICULAR CASE WAS REFERRED TO US BY THE OFFICE OF THE
SECRETARY, BUT OTHER US FIRMS HAVE MET WITH SIMILAR FRUSTRATIONS
IN ATTEMPTING TO SELL COMPUTER SOFTWARE IN BRAZIL. KISSINGER

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 31 JAN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Unique ID: 00
Drafter: COM/OIM/LAD/DIBA:TJOHNSON
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750037-0737
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t1975011/aaaaaac.tel
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Locator: TEXT ON-LINE, ON MICROFILM
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Original Previous Classification: n/a
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Previous Handling Restrictions: n/a
Reference: n/a
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Review Authority: MorefiRH
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Review Content Flags:
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Review Exemptions: n/a
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Margaret P. Grafeld
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Status: NATIVE
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TAGS: BEXP, BR
To: RIO DE JANEIRO
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